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TO RUEHC/SECSTATE WASHDC 4690  
INFO RUEHTN/AMCONSUL CAPE TOWN 5669  
RUEHJO/AMCONSUL JOHANNESBURG 8090  
RUEHDU/AMCONSUL DURBAN 9879  
RUEAUSA/DEPT OF HHS WASHDC  
RUEHPH/CDC ATLANTA GA 2345  
RUCNSAD/SOUTHERN AF DEVELOPMENT COMMUNITY COLLECTIVE

UNCLAS SECTION 01 OF 02 PRETORIA 001227

SIPDIS

DEPT. FOR EEB/EPPD: N SMITH-NISSLER, AF/S, OES/IHB  
STATE PLEASE PASS OGAC: BPATEL; WCOGGINS  
STATE PLEASE PASS TO USAID/W FOR GH AND AFR/SA  
HHS/PHS FOR OFFICE OF GLOBAL HEALTH AFFAIRS WSTEIGER  
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E.O. 12958: N/A

TAGS: ECON BEXP EINV ELAB ETRD AMGT SOCI TBIO SENV SF  
SUBJECT: ACE Nomination from AMEMB Pretoria for Eli Lilly and Company, South Africa

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REFTEL: STATE 34994

**¶1.** Summary: The U.S. Mission in Pretoria nominates Eli Lilly and Company, South Africa (Lilly SA) for the Secretary's Award for Corporate Excellence in the multi-national enterprise (MNE) category. Lilly SA's pioneering initiative to fight the rapidly growing threat of multi-drug resistant tuberculosis (MDR-TB) in South Africa (SA) and around the world makes it an exemplary model of good corporate citizenship. A centerpiece of parent company Eli Lilly and Company's (Lilly) global MDR-TB Partnership is the transfer of technologies and expertise needed to manufacture two Lilly antibiotics used to treat MDR-TB to facilities in countries most burdened with TB. This technology transfer is essential to achieve Lilly's goal of increasing the supply of critically needed, quality, affordable, second-line TB drugs. Lilly SA has transferred its formula, technology, and trademark to generic drug-maker Aspen Pharmacare (Aspen) in South Africa. Lilly SA's MDR-TB partnership contributes to the overall economic and social development and welfare of South Africa, while furthering the growth of competitive, innovative activities and scientific capacity. End Summary.

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Lilly Partners to Fight Multi-Drug Resistant TB  
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**¶2.** Highly contagious MDR-TB afflicts about 450,000 people each year. The World Health Organization (WHO) estimates that the average MDR-TB patient infects up to twenty other people in his or her lifetime. MDR-TB is much more difficult and costly to treat than non-drug resistant TB and is often fatal. Lilly SA supports a comprehensive, multi-pronged strategy to fight MDR-TB through efforts to increase the supply of drugs that can cure this life-threatening disease, train health care personnel, and focus public attention on prevention, diagnosis, and proper treatment. Lilly SA's MDR-TB Partnership also concentrates on ensuring that patients are not subject to stigma within their communities. On World TB Day 2006, South African Nobel Peace Prize Laureate Archbishop Desmond Tutu declared that the Lilly MDR-TB Partnership is an "excellent example of coordinated action against the disease."

**¶3.** Lilly SA's MDR-TB Partnership with Aspen began in 2004 and is increasing the supply of two much-needed MDR-TB antibiotics that will be supplied to the WHO at discount prices. It involves a transfer of intellectual property, technical know-how and training

related to the manufacture, testing, packaging, storage and handling of active pharmaceutical ingredients and finished dose product for cycloserine (Seromycin(R)) and capreomycin (Capastat(R)) and aims to develop a south-to-south quality and efficient supply chain. The Partnership includes: training funded by Lilly SA and provided by Purdue University in good manufacturing practices, transfer of Lilly SA's customers and supply chain to ensure sustainability, a \$3 million dollar commitment for the establishment of manufacturing plants and an additional \$1.6 million investment to date in the project, with an additional \$2.5 million anticipated investment through 2011. In conjunction with the transfer, Lilly SA provided the first in-country specialized lyophilizer (freeze drying) machine for the manufacture of the product, contributing to the development of local scientific and technological capacity.

¶4. Aspen staff have been trained to manufacture, test and release cycloserine capsules. The factory has the capacity to produce over four billion capsules of cycloserine per year. The ability to manufacture cycloserine locally is essential to treating the explosive epidemic of MDR-TB in South Africa. The factory manufactured its first batch of cycloserine in 2006 and Aspen cycloserine is currently being supplied to South Africa, southern Africa and other world markets. Objectives for 2008 include obtaining WHO product pre-qualification of the product dossier and supplying the drug to WHO and all markets outside of the U.S. previously supplied by Lilly.

¶5. The manufacturing facility for capreomycin vials was completed at the end of 2007. Aspen staff will be trained to manufacture, test and release capreomycin in 2008 and will submit a dossier to WHO for product pre-qualification at the end of 2008. Lilly SA donated 3,000 vials of capreomycin to the South African Department of Health (NDOH) and made provision to supply an additional 6,500 vials should the need arise for treatment of MDR-TB and Extremely

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Drug Resistant TB(XDR-TB).

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Lilly Launches Innovative Training Programs

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¶6. Lilly SA has launched innovative educational, training and award programs to fill critical gaps in health care training. Lilly and the International Council of Nurses (ICN) created a pilot "train the trainer" program for nurses on TB and MDR-TB for delivery in southern Africa with the Democratic Nurses Organization of South Africa (DENOSA) and the NDOH. The program trained seventeen nurses in South Africa in 2005 who used the knowledge they gained to train more than five hundred other nurses. The program also trained twenty nurses from Botswana and twenty from Swaziland in 2006. "Through this unique and effective partnership, the ICN and nurses on the ground aim to bring quality, dignified care to communities and individuals living with TB, improved adherence to treatment, and strengthened prevention strategies," said International Council of Nurses CEO Judith Oulton. "We are convinced that the cross-sectoral, multi-disciplinary approach of the Lilly Partnership will lead not only to better outcomes for TB and MDR-TB patients, but also a reduction in disease burden and drug resistance. This is an innovation that works," she continued.

¶7. Lilly SA and the International Hospital Federation in 2006 piloted the first-ever training for Hospital Managers in South Africa in partnership with DENOSA, the NDOH, and the Foundation for Professional Development. Lilly SA and the NDOH sponsored a ten-day intensive MDR-TB training for thirteen doctors and nurses from seven of the nine provincial MDR-TB Hospitals in South Africa at the World Health Organization (WHO) and Centers for Disease Control (CDC) Center of Excellence facility in Latvia. Lilly SA, DENOSA and the NDOH launched the global ICN/Lilly Award for Nursing Excellence in TB Care in 2007. A nurse from Mpumalanga province in South Africa won the first award which was presented on World Nurses Day in May ¶2007.

¶8. Lilly SA launched the Lilly for Life Achievement Awards in 2006

to celebrate achievements of people of all ages who live with diabetes, as well as those who have positively impacted the diabetes community with their personal or professional efforts. The awards acknowledge and honor people who are living full, healthy lives, despite the fact that they have diabetes, and those who support others with diabetes. The awards enhance public awareness of diabetes and its symptoms, which can be a life-threatening disease if not managed properly.

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Lilly - A Leader in South Africa  
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¶9. Lilly SA places a significant emphasis on the development of its employees and has consistently been recognized as one of the top-twenty best employers in South Africa. Lilly SA was recognized as one of the "Top 5 Best Companies to Work For in South Africa" and the "Best Pharmaceutical Company in South Africa" in 2005. Lilly SA is committed to the South African government's policy of Broad-Based Black Economic Empowerment (BBBEE) for previously disadvantaged people and has made progress across all seven BEE compliance categories, including skills development and employment equity. The company philosophy is one of equal opportunity and all staff have a customized plan to best assist them to realize their potential.

¶10. Lilly is headquartered in Indianapolis, Indiana and views protection of the environment and the health and safety of its employees, contractors and visitors as fundamental values that must be pursued vigorously. The company has established health, safety and environmental policies, procedures and programs that apply worldwide to promote safe and healthy working conditions, protect the environment, and support its commitment to compliance with applicable laws and regulations. Lilly SA is committed to working only with suppliers that are in full compliance with local laws and Lilly SA's standards of social, environmental, and economic performance. Lilly SA conducts its business consistent with all U.S. and local laws, regulations and government standards, and is committed to honesty in its dealings with employees, customers, suppliers, competitors, shareholders, and communities.

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